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Report Highlights:

For MY 2013/14, EU-28 citrus production is projected to increase in almost all the producing countries to reach nearly 11 MMT which is an increase of 9 percent compared to the last campaign. This estimation is due to favorable weather conditions and the projected growth in European orange, lemon and grapefruit production of 12, 15 and 17 percent respectively. EU-28 orange juice production is expected to increase by 13 percent in MY 2013/14 with production of 100,678 MT (Brix 65), in line with higher expected deliveries of oranges.

Disclaimer: This report presents the situation for citrus (orange juice, oranges, grapefruits, lemons, tangerines, mandarins and other citrus) in the EU-28. This report contains the views of the authors and does not reflect the official views of the U.S. Department of Agriculture (USDA). The data are not official USDA data.

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Abbreviations used in this report:

CMO Common Market Organization
EC European Commission
EU European Union
FAS Foreign Agricultural Service
FCOJ Frozen Concentrated Orange Juice
GTA Global Trade Atlas

HS Codes: Harmonized System codes for commodity classification used to calculate trade data

Oranges 080510

Tangerines/Mandarins 080520

Lemons 080550

Grapefruit 080540

Orange Juice 200911, 200912, 200919

MS EU Member State(s)

MT Metric ton (1,000 kg)

TMT Thousand Metric Tons

MMT Million Metric Tons

MY Marketing year

Orange November/October

Tangerine November/October

Lemon November/October

Grapefruit November/October

Other Citrus November/October

Orange Juice November/October

PS&D Production, Supply and Demand

USD U.S. Dollar

Oranges, Fresh**Production:**

EU orange production is concentrated in the Mediterranean region. Spain and Italy represent nearly 80 percent of the EU's total production of oranges. The remaining 20 percent is distributed among other Member States (MS), mainly Cyprus, Greece and Portugal. For MY2013/14, an EU-wide orange crop of 6.6 MMT is forecasted, resulting in an increase of approximately 12 percent, due to favorable weather conditions.

Overall EU-28 orange production had been revised up in MY 2012/13 due to higher estimations in Italy. Due to bad weather conditions because of the draught in 2012/2013, total orange production in the EU in MY 2012/13 finally reached about 5.9 MMT, 2.5 percent lower than previously estimated.

Spain

Spain is the largest orange producer within the EU, representing about 50 percent of the EU's orange production. Orange production for MY 2013/14 in Spain is projected at around 3.4 MMT, 15 percent above last year in what is considered a promising season for the sector. However, the Spanish citrus sector remains cautious, as high temperatures and lack of rain initially had an impact on the size and color of the fruit. The lack of water has resulted in smaller gauges, although the quality is very good. The Spanish orange harvesting was running about 10 days later than usual as unseasonably high temperatures caused a delay in fruit coloration. The orange prices are reflecting this, as at the moment orange prices are lower as a result of the smaller calibers and larger production.

The arrival of the first autumn rains improved citrus production. After a period of stagnation with fruit not meeting the coloring and caliber, the arrival of cold temperatures improved both the fruit's ripening and the calibers.

Producers try to cover the whole marketing year by growing very early and very late varieties, which extends the fruit availability resulting in stable prices throughout the season. Oranges are grown with the objective of being consumed fresh and oranges of the *Navel* group are the most appreciated, especially *Navelina* and *Navelate*. An increase of around 28 percent in the *Navel* group is expected for MY 2013/14. *Valencia Late* variety is used to boost supply in the late part of the season. *Valencia late* varieties have a brighter color, and are more adequate for juice.

The main Spanish regions of orange production are the Region of Valencia, Andalusia and Region of Murcia. Valencia and Andalusia cover the 90 percent of the total Spanish orange production. In Valencia, the area planted for citrus has been diminishing due to urban pressure and a switch from citrus to other fruit crops such as kiwi, nectarines, and peaches. On the other hand in Andalusia the area has been increasing and groves with less than 10 years are now reaching their potential.

Italy

Italy's MY 2013/14 orange production is forecast to go back to MY 2011/12 levels thanks to favorable weather, reaching 1.9 MMT; an increase of around 12 percent. Production of red oranges is forecast to register an increase of 17 percent (1,415,000 MT) compared to the previous season (1,203,000 MT). Fruit quality is forecast to be good except for those plants affected by the Citrus Tristeza Virus (CTV). A shortage of larger sizes (size $\frac{3}{4}$) is foreseen, as there will be more small size oranges. Sicily and Calabria are the main orange-producing areas, accounting for 59 and 22 percent respectively. *Tarocco*, *Moro*, *Sanguinello*, *Naveline*, and *Valencia* are the chief varieties grown in Italy.

Greece

Greece's MY 2013/14 orange production is forecast to increase by 4.3 percent compared to the previous year, due to favorable weather. The production may reach 970,000 MT. Fruit size is forecast to be on average. Peloponnese and Aitolokarnaia (western Greece) are the main orange-producing areas.

Washington Navel, *Commons*, *Valencia*, *Navelina*, and *Newhall* are the major orange varieties grown in Greece.

Portugal

In Portugal the MY2013/14 season has developed within the normal parameters. Production of 208,000 MT is expected to be similar to last year's level. Calibers are considered within the normal range.

Cyprus

MY 2013/14 Cypriot orange production is expected to increase by 15 percent from the previous year. The size of fruits is expected to be normal. Famagusta, Limassol, Larnaca, and Pathos districts are the major orange-producing areas. *Navels*, *Ovals* (Shamuses), and *Valencia* are the main orange varieties grown in Cyprus.

Table 1. Major EU Fresh Orange Production by Volume in MT

Country	MY 2011/12	MY 2012/13	MY 2013/14
Spain	2,818,900	2,929,900	3,394,000
Italy	2,020,000	1,730,000	1,935,000
Greece	910,000	930,000	970,000
Portugal	205,000	206,000	208,000
Cyprus	68,900	82,100	94,500
Total Production	6,022,800	5,878,100	6,601,50

Source: FAS offices

Consumption:

Consumption of oranges in the EU is expected to increase to 5.6 MMT for MY 2013/14. Higher demand compared to previous years reflects higher availability in the market. Consumption per capita in producing countries has traditionally been over the EU average and are consumed fresh. Spain shows a level of domestic per capita consumption of about 22 kg. Oranges are sold all year round due to high demand by consumers, but in Spain around 80 percent of sales are concentrated in the months of November to May. Italy's MY 2013/14 orange consumption is forecast to increase by approximately 8 percent driven by the increased production. Most oranges are consumed fresh. Italian per capita consumption is about 25-27 kg. Blood varieties (*Tarocco*, *Moro*, and *Sanguinello*) are used mainly for fresh consumption. Late varieties (*Ovale* and *Valencia*) are destined to both fresh market and processing industry.

Trade:

The EU is a net importer of oranges, with imports largely exceeding exports. Imports into the EU were valued at about US \$700 million in MY 2012/13 whereas the value of exports in MY 2012/13 was close to US \$266 million. Intra-EU trade plays a key role considering that orange production is concentrated in the Mediterranean area. Other EU MS represent the main destination of the major EU producers.

The major supplier of oranges to the European market is South Africa, which supplies the market from June until October, when the Northern Hemisphere harvest starts, followed by Egypt and Uruguay. Most imports of South African citrus fruit were banned on November 28, 2013 for the rest of the year over fear that citrus black spot, a fungal disease, could spread throughout the EU, since it is currently not found in the EU. In MY 2012/13 Uruguay has recovered from the last frosts and expects good quality and calibers. Morocco and Argentina imports have declined 41 and 23 percent respectively while imports from Zimbabwe increased 100 percent. Imports from the United States are showing a downward trend with a decrease of 55 percent and 215,000 MT in MY 2012/13, representing 0.02 percent of total EU imports.

The major EU export destinations are Switzerland, Serbia, and Russia. Exporters are aiming at increasing their presence in the strategic emerging markets of Saudi Arabia, United Arab Emirates, and Brazil.

Table 2. EU-28 Imports of Oranges by Origin in MT

Country of Origin	MY 2010/11	MY 2011/12	MY 2012/13
South Africa	286,400	409,828	418,551
Egypt	102,649	141,032	179,504
Uruguay	61,813	45,271	53,497
Morocco	99,520	83,320	48,881
Argentina	81,696	62,949	48,581
Zimbabwe	17,089	13,051	26,127
Others	114,939	92,980	98,847
Total Imports	764,106	848,431	873,918

Source: Global Trade Atlas (GTA).

Table 3. EU-28 Exports of Oranges by Destination in MT

Country of Destination	MY 2010/11	MY 2011/12	MY 2012/13
Switzerland	55,450	56,990	62,637
Serbia	43,377	34,905	42,081
Russia	27,810	32,009	37,613
Norway	27,999	29,143	31,043
Algeria	6,872	19,277	25,913
Others	129,946	107,075	123,589

Total Exports	291,454	279,399	322,876
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Source: GTA

Concerning Spanish exports in MY 2012/13, the Spanish citrus sector registered a third consecutive record of total citrus exports, exceeding 3 MMT. Exports of oranges exceeded the export of mandarins due to increasing production and export of late table oranges, particularly *Navel* oranges. The recovery of production and export of *Navelinas* after the frost of two seasons ago also helped to reach a new record of orange exports.

Production, Supply and Demand Data Statistics:

Table 4. Oranges, Fresh Production, Supply and Demand

Oranges, Fresh European Union	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Nov 2011		Market Year Begin: Nov 2012		Market Year Begin: Nov 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	317,082	317,919	313,819	313,539		313,283
Area Harvested	295,110	294,922	293,414	292,007		292,396
Bearing Trees	0	0	0	0		0
Non-Bearing Trees	0	0	0	0		0
Total No. Of Trees	0	0	0	0		0
Production	6,225	6,023	6,030	5,878		6,602
Imports	816	848	800	874		700
Total Supply	7,041	6,871	6,830	6,752		7,302
Exports	305	279	350	340		400
Fresh Dom. Consumption	5,540	5,536	5,330	5,262		5,603
For Processing	1,196	1,056	1,150	1,150		1,299
Total Distribution	7,041	6,871	6,830	6,752		7,302
HECTARES, 1000 TREES, 1000 MT						

Source: FAS Offices

Tangerines/Mandarins, Fresh

Production:

Total European tangerine production is expected to be 2.9 MMT in MY2013/14 remaining stable compared to last campaign.

Spain

Spain's total tangerine/mandarin production is projected to increase only 0.96 percent reaching 1.89 MMT in MY 2013/14. This is mostly due to the fall in production of Clementine by 3.8 percent, the main Spanish tangerine production, whereas the production of Satsuma and Mandarins are expected to rise. The main Spanish regions of tangerine/mandarin production are the Region of Valencia, Andalusia and Catalonia. Valencia covers the 75 percent of the total Spanish tangerine/mandarin production. Andalusia is the only region of Spain reporting an increase in the production of mandarins as groves that were planted 5 to 10 years ago come into full production. In MY 2013/14 Huelva will be the main producer of Andalusia's tangerines.

The heat and lack of rains during the autumn caused the earliest Clementine and Mandarin varieties to reach overall smaller calibers but good quality. However, the situation of calibers could be changed with the arrival of cold temperatures, resulting in acceptable prices for Clementines. Farmers are hopeful that the good quality and the slight fall in supply will allow prices to remain at good levels.

The industry continues to expand the range of varieties used to cover more of the calendar spectrum. New early and late varieties continue being developed. The main concern perceived by tangerine/mandarin producers is the concentrated harvest within a few months.

Italy

Italy's MY 2013/14 tangerine production is forecast to decrease by 4 percent compared to the previous season. Italy's tangerine production consists of over 80 percent seedless Clementine and nearly 20 percent mandarins. Italy's MY 2013/14 Clementine production is forecast to register an 8 percent drop (615,000 MT compared to 670,000 MT in 2012/13), while mandarin production is forecast to grow 18.8 percent (145,000 MT) compared to the previous season (122,000 MT). Quality is forecast to be satisfactory for both Clementines and mandarins (especially the *Avana* and *Ciaculli* varieties). Calabria, Sicily, and Apulia are the main tangerine-producing areas, accounting for 50, 23, and 14 percent respectively. *Comune* or *Oroval*, and *Monreal* are the leading Clementine varieties grown in Italy. *Avana* and *Tardivo di Ciaculli* are the main mandarin varieties.

Greece

Greece's MY 2013/14 tangerine production is forecast to grow significantly at 10.4 percent, due to favorable weather conditions. The main producing areas include the prefectures of Igoumenitsa, Arta, Mosologgi, and Thesprotia, located in northern Greece. Clementine is the major tangerine variety grown in Greece.

Cyprus

MY 2013/14 Cypriot tangerine production is expected to decrease 6 percent compared to the previous year with low volumes but with higher calibers. Famagusta, Limassol, Larnaca, and Paphos districts are the major tangerine-producing areas. *Mandoras*, *Tangelo*, *Minneolas*, *Nova*, and *Clementines* are the

main tangerine varieties grown in Cyprus. In Cyprus, new experimental strains on modern rootstock hold high expectations for the next years.

Portugal

Tangerines are the second most important citrus product in Portugal, after oranges. The Algarve is the most representative region with 80 percent of the total producing area. The production of tangerines is projected at the same levels of last year with normal calibers and quality.

Table 5. Major EU Fresh Tangerine Production by Volume in MT

Country	MY 2011/12	MY 2012/13	MY 2013/14
Spain	2,117,000	1,874,000	1,892,000
Italy	739,000	792,000	760,000
Greece	115,000	134,000	148,000
Cyprus	93,400	95,400	89,700
Portugal	34,200	34,800	35,000
Total Production	3,098,600	2,930,200	2,924,700

Source: FAS Offices

Consumption:

Total EU-28 consumption in MY2013/14 is forecast to reach 2.5 MMT, stable compared to previous year with only a 0.8 percent decrease, reflecting lower availability and a falling purchasing power. The per capita consumption in the EU for 2013/14 is calculated at 5.0 kilos.

Most tangerines are consumed fresh.

Trade:

The major suppliers of tangerines to the European market are South Africa, Morocco and Peru, which replaces Turkey in the third position. Morocco signed an agreement with the EU which allows a higher export quota for Moroccan agricultural products. Most imports of South African citrus fruit were banned on November 28, 2013 for the rest of the year over fear that citrus black spot, a fungal disease, could spread throughout the EU, since it is currently not found in the EU. EU imports of tangerines were valued at US \$400 million and EU exports at US \$430 million in MY 2012/13.

Exports continued to increase to Russia in MY2012/13 and this country is seen as the only growing market that is effectively able to absorb large quantities. The EU turned from being a net importer of

tangerines in volume terms to being a net exporter in 2010/11 and continues with this trend in MY 2012/13.

Imports from the United States increased 30 percent in MY 2012/13 compared to last year, reaching 4,800 MT and were valued at US \$ 7 million. European exports of tangerines/mandarins to the United States have slightly declined to 1.5 percent.

Table 6. EU-28 Imports of Tangerines by Origin in MT

Country of Origin	MY 2010/11	MY 2011/12	MY 2012/13
South Africa	57,940	67,181	80,387
Morocco	90,782	80,362	64,035
Peru	41,209	49,172	44,668
Israel	29,091	42,651	40,632
Turkey	50,493	45,501	36,855
Uruguay	26,232	19,833	15,814
Argentina	33,571	24,815	15,691
United States	4,814	3,700	4,791
Others	6,971	8,444	11,972
Total Imports	341,103	341,659	314,845

Source: GTA

Table 7. EU-28 Exports of Tangerines by Destination in MT

Country of Destination	MY 2010/11	MY 2011/12	MY 2012/13
Russia	97,519	103,274	109,702
Ukraine	53,623	55,535	57,311
United States	60,716	47,559	46,839
Switzerland	38,214	39,737	39,732
Belarus	30,652	25,094	33,078
Norway	23,306	23,336	24,632
Serbia	23,148	19,536	21,592
Others	60,080	69,322	71,656
Total Exports	387,258	383,393	404,542

Source: GTA

Production, Supply and Demand Data Statistics:

Table 8. Tangerines/Mandarins, Fresh Production, Supply and Demand

Tangerines/Mandarins, Fresh European Union	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Nov 2011		Market Year Begin: Nov 2012		Market Year Begin: Nov 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	171,303	169,722	168,989	168,273		168,680
Area Harvested	157,224	155,771	155,194	154,383		154,130
Bearing Trees	0	0	0	0		0
Non-Bearing Trees	0	0	0	0		0
Total No. Of Trees	0	0	0	0		0
Production	3,100	3,099	2,710	2,930		2,925
Imports	346	342	320	315		320
Total Supply	3,446	3,441	3,030	3,245		3,245
Exports	375	383	380	405		405
Fresh Dom. Consumption	2,702	2,711	2,330	2,542		2,563
For Processing	369	347	320	298		277
Total Distribution	3,446	3,441	3,030	3,245		3,245
HECTARES, 1000 TREES, 1000 MT						

Source: FAS Offices

Lemons, Fresh**Production:**

EU lemon production is expected to reach 1.34 MMT in MY 2013/14, a 15 percent increase from the previous year, due to favorable weather conditions.

Spain

In Spain, the lemon crop production for MY 2013/14 is projected to be 715,000 MT, a 7 percent increase from the previous year, due to favorable weather conditions. The season started with 10 days delay when compared to previous years. The calibers are small resulting probably in a higher percentage of lemons for processing.

Lemon production in Spain is concentrated in three regions located in the southern Mediterranean area: Murcia, Region of Valencia and the Provinces of Malaga and Almeria in Andalusia. The dominant varieties in Spain are Fino which represents 70 percent of total production and is favored by the processing sector and Verna, a tender and juicy variety with few seeds, representing 30 percent of total production. There is an interest to replace Fino varieties by Verna varieties, representing in the short-term, 60 percent of total production for Fino varieties and 40 percent of total production for Verna

varieties. With Verna variety there is higher profitability and less competition with Turkey. The harvest period for the Fino variety runs from September to March. In the case of Verna, it goes from March to July, which allows for a year round lemon supply.

AILIMPO, the Spanish Lemon and Grapefruit Inter-professional Association, estimates the same growth in production. However, there is a disparity between official data from the Ministry of Agriculture and industry's production estimates although the percentages of variation are similar in both cases. The Spanish industry estimates a 5-7 percent increase compared to previous year, reaching 860,000 MT.

The start of the season is set by the early ending of the Southern Hemisphere campaign in Argentina, Uruguay and South Africa. Turkey is also a strong competitor due to low production costs, export subsidies and a 19 percent devaluation of the Turkish currency against the euro.

As occurred in the previous campaign, the good volumes being exported make for an optimal scenario for this year's lemon crop in Spain regarding profitability for farmers and industry.

Italy

Italy's MY 2013/14 lemon production is forecast to be excellent in terms of both quantity (+31 percent compared to the previous campaign) and quality (especially the *Primofiore* variety), due to favorable weather conditions. Fruit grades are forecast to be good. Sicily produces more than 86 percent of Italy's lemons. Lemon-producing area is progressively decreasing: higher input costs and lower prices have negatively affected crop profitability. *Femminello Commune* (*F. Zagara Bianca*, *F. Siracusano*, and *F. S. Teresa*), *Monachello*, and *Interdonato* are the main lemon varieties grown in Italy.

Greece

Greece's MY 2013/14 lemon production is forecast to remain steady. The main lemon-producing areas include the prefectures of Korinthos, Achaia, Piraeus, and Ilias, located in northern Greece. The major lemon variety grown in Greece is *Maglini*, whose fruit is strongly aromatic, with a quite sour juice. It has a thin, shiny peel and when fully ripe has a yellow color.

Cyprus

MY 2013/14 Cypriot lemon production is expected to be at the same levels as the previous year. The size of fruit is expected to be normal. Lapithos village is the main lemon-producing area. Lapithiotiki (a local variety), Eureka, and Lisbon are the major lemon varieties grown in Cyprus. Lapithiotiki lemon variety boasts the highest per capita domestic consumption, due to its distinctive aroma and taste. It has a thin skin, oval shape, rich flesh, firm yellow rind, and the majority of the fruits are seedless.

Portugal

Lemons represent 5 percent of Portugal's citrus crop. Production in MY 2013/14 is projected at the same level as last season's with normal calibers and quality.

Table 9. Major EU Fresh Lemons/Limes Production by Volume in MT

Country	MY 2011/12	MY 2012/13	MY 2013/14
Spain	736,000	667,000	715,300
Italy	458,000	415,000	545,000
Greece	45,000	55,500	55,500
Cyprus	11,600	14,800	15,200
Portugal	13,000	12,600	13,000
Total Production	1,263,600	1,164,900	1,344,000

Source: FAS Offices

Consumption:

EU-28 consumption is forecast to be around 1.4 MMT in MY2013/14. This is a 6 percent increase from the previous year due to a higher domestic availability. Lemons are primarily used for fresh consumption. The industry is also projected to process more lemons. The lemon per capita consumption in the EU for 2013/14 is estimated at 2.7 kilos. Greece has become increasingly reliant on imported lemon juice to meet consumer demand for soft drinks. The yield for lemon juice is 15-17 Kg of fresh lemons to produce 1 Kg of lemon juice, depending on the quality of the fruit.

Trade:

The EU is a net importer of lemons, with imports exceeding exports. Imports into the EU reached US \$530 million in MY 2012/13, while the value of exports in MY 2012/13 was US \$98 million. Intra-EU trade is critical to the sector, taking into account the volume of lemons produced in the Mediterranean Member States and the demand in non producer Member States. The main intra-EU importers are Germany, France, Poland and the United Kingdom.

The major supplier to the European market is Argentina, followed by Turkey, Brazil, and Mexico replacing South Africa. The major EU importers of non-EU lemons are the Netherlands, Germany, France and Italy. The main extra-EU destination for European lemons is Russia.

Table 10. EU-28 Imports of Lemons/Limes by Origin in MT

Country of Origin	MY 2010/11	MY 2011/12	MY 2012/13
Argentina	170,310	182,028	187,744
Turkey	108,055	102,004	80,028
Brazil	56,106	61,528	59,231
Mexico	27,290	35,165	40,187
South Africa	44,342	42,132	28,485

Others	20,773	21,602	22,612
Total Imports	427,376	444,459	418,287

Source: GTA

Table 11. EU-28 Exports of Lemons/Limes by Destination in MT

Country of Destination	MY 2010/11	MY 2011/12	MY 2012/13
Russia	21,479	32,305	22,729
Switzerland	14,346	14,882	15,379
Ukraine	4,690	11,305	7,598
Norway	3,740	4,316	4,984
Belarus	2,017	3,283	4,697
Bosnia& Herzegovina	2,500	3,351	3,414
Serbia	1,709	3,204	2,945
Others	10,166	18,200	14,741
Total Exports	60,647	90,846	76,487

Source: GTA

Production, Supply and Demand Data Statistics:

Table 12. Lemons, Fresh Production, Supply and Demand

Lemons/Limes, Fresh European Union	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Nov 2011		Market Year Begin: Nov 2012		Market Year Begin: Nov 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	81,812	77,064	78,937	75,686		76,108
Area Harvested	74,853	69,972	73,520	69,500		69,709
Bearing Trees	0		0			
Non-Bearing Trees	0		0			
Total No. Of Trees	0	0	0	0		0
Production	1,432	1,264	1,320	1,165		1,344
Imports	432	444	420	420		400
Total Supply	1,864	1,708	1,740	1,585		1,744
Exports	99	91	100	80		100
Fresh Dom. Consumption	1,412	1,382	1,313	1,321		1,401
For Processing	353	235	327	184		243
Total Distribution	1,864	1,708	1,740	1,585		1,744
HECTARES, 1000 TREES, 1000 MT						

Source: FAS Offices

Grapefruit, Fresh

Production:

Overall EU grapefruit production is projected to grow 9 percent reaching 121,000 MT in MY 2013/14, a level above the previous years due to the increase in Cyprus, with 17 percent growth, due to favorable weather conditions.

The total EU area has an upward trend thanks to Greece's increased interest in producing grapefruit, following Cyprus' trend.

Spain

Grapefruit production is projected to increase 3 percent in Spain in MY 2013/14 with 59,000 MT. Due to the weather conditions the sizes are smaller than previously estimated. Spain's grapefruit production is found in the region of Murcia (60 percent), Andalusia (25 percent) and region of Valencia (12 percent). The main variety planted is Ruby Red. This is a very small market for Spain and indeed for the EU, as most of consumption is supplied by imports.

Cyprus

Grapefruit from Cyprus, the second largest EU-28 grapefruit producer, is regarded as amongst the best worldwide. MY 2013/14 Cypriot grapefruit production is projected to increase 17 percent compared to the previous campaigns. White Marsh Seedless, mostly grown in the Limassol area, is the major grapefruit variety grown in Cyprus. New plantations have been established in the district of Paphos where the Red varieties (Star Ruby, Red Blush, and Rio Red) were introduced to meet the increased market demand.

Italy

Italy's MY 2013/14 grapefruit production is forecast to rise 33 percent compared to the previous season thanks to favorable weather.

Greece

Greece's MY 2013/14 grapefruit production is forecast to stay flat. The prefectures of Corinth and Kavala, the region of Thessaly, and the island of Crete are the major grapefruit-producing areas.

Table 13. Major EU Fresh Grapefruit Production by Volume in MT

Country	MY 2011/12	MY 2012/13	MY 2013/14
Spain	48,200	57,500	59,000
Cyprus	41,000	39,300	46,000
Italy	7,100	7,500	10,000
Greece	5,500	6,000	6,000
Portugal	200	210	208
Total Production	102,000	110,510	121,208

Source: FAS Offices

Consumption:

EU-28 consumption of fresh grapefruit is forecast to remain stable at around 405,000 MT in 2013/14. The Spanish industry believes there is the potential for growth in the consumption of grapefruit as the majority of people still do not consume grapefruit. Cypriot grapefruits are both consumed fresh and channeled to food and beverage manufacturers.

Trade:

The EU is a net importer of grapefruits. The EU imports grapefruit from third countries, as domestic supply is currently enough to supply a quarter of internal demand. Imports for MY 2012/13 were valued at US\$ 332 million while exports were US\$ 22 million. The largest importers within the EU are France, the Netherlands, Germany and Belgium. The major sources for imported grapefruit in MY 2012/13 were South Africa, China, Turkey, United States, and Israel. Imports from Turkey and the United States decreased 36 percent and 11 percent respectively while imports from South Africa rose 35 percent. The imports from the United States were valued at US\$ 46 million. Regarding the exports, the main destinations for EU-28 grapefruit are Russia, Ukraine and Belarus.

Table 14. EU-28 Imports of Grapefruit by Origin in MT

Country of Origin	MY 2010/11	MY 2011/12	MY 2012/13
South Africa	92,763	76,480	103,048
China	55,372	61,850	63,503
Turkey	66,987	82,799	52,759
Israel	47,345	44,763	47,017
United States	52,774	46,000	40,677
Mexico	17,652	11,816	13,372

Others	31,945	16,917	15,116
Total Imports	364,838	340,625	335,492

Source: GTA

Table 15. EU-28 Exports of Grapefruit by Destination in MT

Country of Destination	MY 2010/11	MY 2011/12	MY 2012/13
Russia	5,244	7,381	5,639
Ukraine	2,393	1,800	3,535
Belarus	2,010	2,107	3,216
Switzerland	2,312	1,881	2,299
Serbia	1,237	678	1,161
Norway	606	839	714
Others	3,817	3,479	3,774
Total Exports	17,619	18,165	20,338

Source: GTA

Production, Supply and Demand Data Statistics:

Table 16. Grapefruit, Fresh Production, Supply and Demand

Grapefruit, Fresh European Union	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Nov 2011		Market Year Begin: Nov 2012		Market Year Begin: Nov 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	2,506	2,476	2,548	2,720		2,735
Area Harvested	2,119	2,379	2,155	2,531		2,624
Bearing Trees	0		0			
Non-Bearing Trees	0		0			
Total No. Of Trees	0	0	0	0		0
Production	86	102	93	111		121
Imports	353	341	310	335		325
Total Supply	439	443	403	446		446
Exports	19	19	20	20		20
Fresh Dom. Consumption	389	396	353	407		405
For Processing	31	28	30	19		21
Total Distribution	439	443	403	446		446

HECTARES, 1000 TREES, 1000 MT

Source: FAS Offices

Orange Juice

Production:

EU-28 orange juice production is expected to increase by 13 percent in MY 2013/14 with 100,678 MT (Brix 65), in line with higher expected deliveries of oranges to be processed by the industry. The European citrus sector is strongly orientated towards the fresh produce market. Margins are better for fresh fruit intended for fresh consumption for both domestic and export demand. Processing is a buffer for production surpluses and fruit that does not meet commercial standards.

Consumption:

While orange juice is the most popular juice within the EU-28, it competes with other non-alcoholic drinks and juices made from other fruits. Despite the reduction on the purchasing power and the competition of other drinks, the European consumption is projected to be stable. The preferred packaging type by European consumers is the carton. The convenience of orange juice is reflected in its better adaptation to modern consumption habits than whole fresh oranges.

Trade:

In MY 2012/13, total EU imports of orange juice were valued at US\$ 1.5 billion with exports worth US\$ 142 million. EU-28 imports have slightly increased by 1 percent in MY 2012/13. Brazil continues to be the main supplier of orange juice to the EU with around 85 percent of total imports. In MY 2012/13 the EU-28 imported 19.8 MMT from the United States with a value of US\$ 47 million. EU-28 exports have decreased by 4.4 percent in MY 2012/13 with main export destinations to be Switzerland and Saudi Arabia.

Table 17. EU-28 Imports of Orange Juice by Origin in MT (Brix 65)

Country of Origin	MY 2010/11	MY 2011/12	MY 2012/13
Brazil	576,504	597,438	591,961
United States	56,778	23,733	19,791
South Africa	4,637	5,497	10,109
Switzerland	499	13,130	12,989
Others	78,063	54,944	67,314
Total Imports	716,481	694,742	702,164

Source: GTA

Table 18. EU-28 Exports of Orange Juice by Destination in MT (Brix 65)

Country of Destination	MY 2010/11	MY 2011/12	MY 2012/13
Switzerland	6,085	5,768	6,005
Saudi Arabia	7,806	7,819	5,216
Algeria	2,887	5,415	6,696
Others	29,248	32,128	30,932
Total Exports	46,026	51,129	48,849

Source: GTA

Production, Supply and Demand Data Statistics:

Table 19. Orange Juice Production, Supply and Demand (Brix 65)

Orange Juice European Union	2011/2012		2012/2013		2013/2014	
	Market Year Begin: May 2011		Market Year Begin: May 2012		Market Year Begin: May 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Deliv. To Processors	1,196,000	1,055,658	1,150,000	1,149,800		1,298,700
Beginning Stocks	15,000	15,000	15,000	15,000		15,000
Production	92,716	81,837	89,150	89,135		100,678
Imports	682,322	694,742	685,000	702,315		690,000
Total Supply	790,038	791,579	789,150	806,450		805,678
Exports	51,801	51,129	50,800	49,000		50,000
Domestic Consumption	723,237	725,450	723,350	742,450		740,678
Ending Stocks	15,000	15,000	15,000	15,000		15,000
Total Distribution	790,038	791,579	789,150	806,450		805,678
MT						

Source: FAS Offices

EU Policy Section

A new Common Market Organization (CMO) for fruit and vegetables was reformed in 2007. The policy changes agreed in the context of the CMO reforms for fruit and vegetables were incorporated in the single CMO by [Council Regulation 361/2008](#). The shift from production support to direct aid to

producers was designed to improve the competitiveness, market orientation and sustainability of the sector.

The European Commission asserts that the aim of the reformed CMO is to improve the competitiveness and market orientation of the fruit and vegetable sector, reduce income fluctuations resulting from crises, promote consumption – so contributing to improved public health – and enhance environmental safeguards.

Producer Organizations (PO's) are the key elements in the EU's CMO for fruit and vegetables. PO's are legal entities established by producers to market commodities, including citrus fruit. EU subsidies are not paid to individual producers but are channeled through PO's. In order to qualify for EU subsidies, PO's must submit an operational program financed through an operational fund. The EU's financial contribution is paid directly into the PO's operational fund. The calculation of the estimated amount of operational fund is based on the operational program and the value of marketed production. All the implementing rules of Council Regulation 1234/2007 have been incorporated in [Commission Implementing Regulation 543/2011](#).

The [Commission Implementing Regulation 701/2012](#) amended the crisis adaptation measures in Commission Implementing Regulation 543/2011 since August 2012 and was introduced as part of the ongoing CAP reform. The Commission improved the functioning of the crisis management system in the fruit and vegetable sector in the run-up to the entry into force of the CAP reform expected in 2015. The regulation also aims to make rules more flexible on green harvesting and non-harvesting. For information on the CAP starting after 2013, please see: http://ec.europa.eu/agriculture/cap-post-2013/index_en.htm

The Commission has agreed to add compensation payments for withdrawing certain products. The amounts of aid per kilo paid to POs for products withdrawn from the market have been increased for certain products, among others for Clementines (22.16 €/100 kg) and lemons (23.99 €/100 kg).

EU Marketing Standards for Fruits and Vegetables

The [Commission implementing Regulation \(EU\) No 543/2011](#) provides for a general marketing standard for all fresh fruits and vegetables, repealing Commission Regulation 1221/2008. Specific marketing standards are still in place for ten products, including citrus fruit. The specific marketing standards are set out in Part B of Annex I to this Regulation. The specific marketing standards for citrus fruit can be found in Part 2 of that same section (p.111).

Fresh fruit and vegetable imports into the EU are checked for compliance with EU-harmonized marketing standards. These standards apply at all marketing stages and include criteria such as quality, size, labeling, packaging, and presentation.

Certification of Fruit Shipments

Plant products need a phytosanitary certificate to be exported to the EU. Phytosanitary certificates issued by an APHIS inspector are required to accompany fruit, vegetable, and nut shipments. APHIS issues phytosanitary certificates in accordance with international regulations established by the [International Plant Protection Convention of the Food and Agriculture Organization of the United Nations](#). This standard-setting body coordinates cooperation between nations to control plant and plant product pests and to prevent their spread.

Council Directive [2000/29/EC](#) contains provisions concerning compulsory plant health checks. This includes documentary, identity, and physical plant health checks to verify compliance with EU import requirements. More information can be accessed on DG Health and Consumer Protection's website http://ec.europa.eu/food/plant/organisms/imports/inspection_en.htm.

[Commission Regulation 1756/2004](#) provides for plant health checks to be carried out at reduced frequency when justified. The list of products recommended for plant health checks at reduced levels was [updated August 30, 2013](#).

Note: Most imports of South African citrus fruit were banned on November 28, 2013 for the rest of the years over fear that **citrus black spot**, a fungal disease found in dozens of shipments, could spread throughout the EU, since it is currently not found in the EU. While harmless to humans, citrus black spot causes unsightly lesions on the fruit and leaves, reducing both harvest quality and quantity.

Initially, the ban will apply only to the 2012/13 harvest, but could be extended into next year. That could threaten South Africa's 600,000 tones of citrus exports to the EU, worth about 1 billion € (1.3 billion USD). South Africa supplies about a third of the EU's total citrus imports and is the main source of oranges for juices in Britain, Germany and France. The ban comes at a sensitive time as the EU is seeking South Africa's support to unlock stalled trade deals with sub Saharan Africa.

School Fruit Scheme

A key objective of the changes made to the Fruit and Vegetable regime was to reverse the declining consumption of fruit and vegetables. [Commission Regulation 288/2009](#), last amended by [Commission Implementing Regulation 1208/2011](#), lays down the rules for applying the European School Fruit Scheme (SFS) as a measure to combat child obesity. These SFSs include three elements: free distribution of fruit and vegetables in schools, a series of accompanying measures, such as information campaigns on healthy eating habits, and monitoring and evaluation. The SFS aims to provide fruit and vegetables to school children from the start of the school year.

The SFS makes €90 million of EU funds available to provide fruit and vegetables to school children to be matched by national and private funds. The 2013/2014 school year is the fifth year of the program and the [Commission implementing decision](#) of March 26, 2013, allocates the €90 million of EU funds to the 25 participating Member States (Sweden, Finland and UK have opted not to participate). The main beneficiaries of the Scheme in 2013/2014 will be Italy, who is set to receive over € 20.5 million, followed by Poland (€ 13.6 million), Germany (€ 12 million), Romania (€ 4.9 million), France (€ 4.7 million), Hungary (€ 4.5 million), Spain (€ 4.4 million) and the Czech Republic (€ 4.2 million). Information and documents on the SFS are available on internet at: http://ec.europa.eu/agriculture/fruit-and-vegetables/school-fruit-scheme/index_en.htm

Maximum Residue Level for Fruit

Maximum Residue Levels (MRLs) for pesticides, including import tolerances, have been harmonized throughout the EU since September 2008. As a marketing tool, some retail chains in the EU adopt private standards that exceed EU regulations by requiring their suppliers to adhere to stricter company policies that limit the maximum residues to 30, 50, or 70 percent of the respective EU MRL.

Please find the link to the [EU MRL database](#), as well as to the International [MRL database](#) developed by USDA for MRLs worldwide.

Tariffs

Imports of fresh fruit and vegetables are subject to the Entry Price System (EPS) which has been in place in its current form since the Uruguay Round. It is a complex tariff system that provides a high level of protection to EU producers. In this system fruits and vegetables imported at or above an established entry price are charged an ad valorem duty only. Produce valued below the entry price are charged a tariff equivalent in addition to the ad valorem duty. The tariff equivalent is graduated for products valued between 92 and 100 percent of the entry price. The ad valorem duty and the full tariff equivalent are levied on imports valued at less than 92 percent of the entry price.

Whether or not the EU will maintain the EPS will be discussed in the context of the Doha Round trade talks. The U.S. tends to sell high quality products, which are usually relatively higher priced and typically do not face any additional duty. Replacing the EPS with fixed tariffs could result in higher ad valorem duties.

Tariff levels for 2014 are published in [Commission Implementing Regulation 1001/2013](#). The tariffs for citrus fruit remain unchanged compared to the levels of 2013 and can be found at [page 96](#) for oranges, tangerines, lemons, grapefruit and other citrus fruit, while the tariff for orange juice can be found at [page 165](#).